



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-201-855]

#### Acrylonitrile-Butadiene Rubber from Mexico: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that acrylonitrile-butadiene rubber (AB rubber) from Mexico is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is April 1, 2020, through March 31, 2021.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Dennis McClure or Faris Montgomery, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5973 or (202) 482-1537, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On February 2, 2022, Commerce published the *Preliminary Determination* in the LTFV investigation of AB rubber from Mexico, in which we also postponed the final determination until June 17, 2022.<sup>1</sup> Commerce invited interested parties to comment on the *Preliminary Determination*;<sup>2</sup> we received no comments from interested parties. However, as a result of the minor corrections presented to Commerce in the sole mandatory respondent's response to the in

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<sup>1</sup> See *Acrylonitrile-Butadiene Rubber from Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 87 FR 5790 (February 2, 2022) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

<sup>2</sup> *Id.*

lieu of on-site verification questionnaire, Commerce has made certain changes to the *Preliminary Determination*, as discussed below.

### Scope Comments

On January 26, 2022, we issued the Preliminary Scope Decision Memorandum.<sup>3</sup> Interested parties submitted case and rebuttal briefs concerning the scope of this investigation.<sup>4</sup> For a summary of the product coverage comments and rebuttal responses submitted to the record of this investigation, and accompanying analysis of all comments timely received, *see* the Final Scope Memorandum.<sup>5</sup> Based on the comments received from interested parties, we are revising the scope of this investigation as it appeared in the *Preliminary Determination*.<sup>6</sup> The scope in the appendix reflects these changes.

### Scope of the Investigation

The product covered by this investigation is AB rubber from Mexico. For a complete description of the scope of this investigation, *see* the appendix to this notice.

### Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).<sup>7</sup>

### Changes Since the *Preliminary Determination*

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<sup>3</sup> *See* Memorandum, “Preliminary Scope Decision Memorandum,” dated January 26, 2022 (Preliminary Scope Decision Memorandum).

<sup>4</sup> *See* ARLANXEO Emulsion Rubber France S.A.S.’s Letter, “Scope Brief,” dated February 25, 2022; and Zeon Chemicals L.P. and Zeon GP, LLC (collectively, the petitioner)’s Letter, “Petitioner’s Rebuttal Scope Brief,” dated March 4, 2022.

<sup>5</sup> *See* Memorandum, “Antidumping Duty Investigations of Acrylonitrile-Butadiene Rubber from France, the Republic of Korea, and Mexico: Final Scope Decision Memorandum,” dated concurrently with, and hereby adopted by, this notice (Final Scope Memorandum).

<sup>6</sup> *See Preliminary Determination*, 87 FR at 5792. Specifically, we added language to the scope that clarified that AB Rubber products that include a third component that is not methacrylic acid or isoprene are not covered by the scope. *See* Final Scope Memorandum.

<sup>7</sup> *See* Commerce’s Letter, “In Lieu of On-Site Verification Questionnaire,” dated March 2, 2022.

Based on Industrias Negromex S.A. de C.V.’s (Negromex’s) in lieu of on-site verification questionnaire response,<sup>8</sup> we accepted minor corrections to Negromex’s reported sales data<sup>9</sup> and included these changes in the margin calculations for the final determination.<sup>10</sup>

#### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. Section 735(c)(5)(B) of the Act provides that, if the estimated weighted-average dumping margins for all individually investigated exporters and producers are zero, *de minimis*, or determined entirely under section 776 of the Act, then Commerce may use any reasonable method to establish the estimated all-others rate, including averaging the estimated weighted-average dumping margins determined for the individually investigated exporters and producers.

In this investigation, Commerce calculated an estimated weighted-average dumping margin for the sole mandatory respondent Negromex, that is not zero, *de minimis*, or based entirely on facts otherwise available. Accordingly, the estimated weighted-average dumping margin calculated for Negromex is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

#### Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

<b>Exporter/Producer</b>	<b>Estimated Weighted-Average Dumping Margin (percent)</b>
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<sup>8</sup> See Negromex’s Letter, “In Lieu of Verification Questionnaire Response,” dated March 10, 2022.

<sup>9</sup> See Negromex’s Letter, “Post-Verification Data Corrections,” dated May 9, 2022.

<sup>10</sup> For a discussion of the minor verification corrections accepted for the final determination, see memorandum, “Final Determination Calculation Memorandum for Industrias Negromex S.A. de C.V.,” dated concurrently with this notice.

Industrias Negromex S.A. de C.V.	18.45
All Others	18.45

### Disclosure

Commerce intends to disclose the calculations performed in this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

Consistent with the *Preliminary Determination*,<sup>11</sup> Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of AB rubber from Mexico, as described in the Appendix to this notice, which are entered, or withdrawn from warehouse, for consumption on or after February 2, 2022, the date of publication of the *Preliminary Determination* in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), upon publication of this notice, Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) the cash deposit rate for the respondent listed above will be equal to the company-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a respondent identified above but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension-of-liquidation instructions will remain in effect until further notice.

### International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. We will allow the

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<sup>11</sup> See *Preliminary Determination*, 87 FR at 5791.

ITC access to all privileged and business proprietary information in our files, provided the ITC confirms it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of AB Rubber from Mexico no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the February 2, 2022, effective date of the suspension of liquidation.

#### Notification Regarding Administrative Protective Orders

This notice will serve as a reminder to the parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

#### Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: June 17, 2022.

Lisa W. Wang,

Assistant Secretary  
for Enforcement and Compliance.

## Appendix

### Scope of the Investigation

The product covered by this investigation is commonly referred to as acrylonitrile butadiene rubber or nitrile rubber (AB Rubber). AB Rubber is a synthetic rubber produced by the emulsion polymerization of butadiene and acrylonitrile with or without the incorporation of a third component selected from methacrylic acid or isoprene. AB Rubber products that include a third component that is not methacrylic acid or isoprene are not covered by the scope. This scope covers AB Rubber in solid or non-aqueous liquid form. The scope also includes carboxylated AB Rubber.

Excluded from the scope of this investigation is AB Rubber in latex form (commonly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 4002.51.0000). Latex AB Rubber is commonly either (a) acrylonitrile/butadiene polymer in latex form or (b) acrylonitrile/butadiene/methacrylic acid polymer in latex form. The broader definition of latex refers to a water emulsion of a synthetic rubber obtained by polymerization.

Also excluded from the scope of this investigation is: (a) AB Rubber containing additives incorporated during the compounding, mixing, molding, or use of AB Rubber comprising greater than twenty percent of the total weight of the product. Additives would include, but are not limited to, fillers (*e.g.* carbon black, silica, clay); reinforcement agents (*e.g.* fibers, carbon black, silica); vulcanization agents (*e.g.* sulfur, sulfur complexes, peroxide); or AB Rubber containing extension oils making up greater than forty percent of the total weight of the product. Such products would be generally classified under HTSUS subheading 4005; (b) AB Rubber containing polyvinyl chloride (PVC) making up greater than twenty percent of total weight of the product; (c) hydrogenated AB Rubber (commonly referred to as HNBR) produced by subsequent dissolution and hydrogenation of AB Rubber; (d) reactive liquid polymers containing acrylonitrile and butadiene with amine, epoxy, carboxyl or methacrylate vinyl chemical functionality.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise processed in a third country, including by modifying physical form or packaging with another product, or performing any other finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the AB Rubber.

The merchandise subject to this investigation is classified in the HTSUS at subheading 4002.59.0000. While the HTSUS subheading numbers are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

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